

**UNITED STATES BANKRUPTCY COURT**  
**SOUTHERN DISTRICT OF NEW YORK**

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In re: )  
CELSIUS NETWORK LLC, *et al.*, Debtors. )  
 ) Chapter 11  
 ) Case No. 22-10964 (MG)  
 ) Jointly Administered  
 ) Chapter 11  

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**OTIS DAVIS' LIMITED OBJECTION TO THE DEBTORS' ENTRY FOR AN ORDER (I)**  
**APPROVING THE SETTLEMENT OF CEL TOKEN AT \$0.25 FOR THE PURPOSE OF**  
**CONFIRMING THE DEBTORS PLAN OF REORGANIZATION (II) GRANTING RELATED**  
**RELIEF**

Your Honor, The UCC wants to devalue CEL token from \$0.81 to \$0.25 based on a factual fallacy that they describe as manipulation. The vast majority of the upwards price action of CEL token between the pause and petition date was due to roughly 15 million illegal naked short positions being closed on FTX (EXHIBITS 1 and 2). When a short position is closed, it is effectively buying CEL tokens on the market. Traders were paying between 1,000% and 3,600% interest per year to borrow CEL tokens on FTX and sell them on the market. The amount of tokens taking this trade was so large that FTX created fake CEL tokens out of thin air and

allowed them to be sold on their exchange; these “naked shorts” are the purest form of downward price manipulation, and as a CEL token creditor, I and many other creditors have been directly harmed by this activity.

## **BACKGROUND**

When you short a coin, token, or stock, in this case CEL token, you borrow the asset from an exchange, in this case FTX, and you immediately sell it, causing the price of the underlying crypto asset to go down. However, what was done in this instance is far more devious and outright illegal. What FTX did is called “naked shorting,” meaning they did not have the underlying CEL tokens to lend to people that wanted to sell CEL token short, so FTX created fake tokens in their own system, this practice was later reported in the FTX bankruptcy as “God mode,” and allowed those fake tokens to be sold. This artificial selling was done en masse at the pause which caused a sharp decline in the price of CEL token. The cost to borrow these fraudulent tokens was extraordinary, as traders often paid between a 1,000% to 3,600% yearly funding rate to keep their short positions open. This, of course, being unsustainable, would drive short sellers to buy CEL tokens to cover their positions, and in doing so pushed the price up from \$0.20 to \$0.81, and then to a peak of \$4.65 a full month after the petition date, on August 14, 2022. The only reason the price of CEL token ever reached as low as \$0.20 is because of millions of these artificial CEL tokens being sold on FTX as seen in EXHIBIT 1 and EXHIBIT 2.

The UCC is inexplicably fighting against thousands of CEL token creditors in defense of FTX while FTX perpetrated a massive fraud against CEL token holders. Celsius Network itself even recognizes this and has filed a \$2 billion claim against FTX, whose \$2 billion claim is attached as EXHIBIT 3.

EXHIBIT 1

2022-06-11T13:00:00+00:00	CEL	5,932,179.23	0.00074201	650.00%
2022-06-11T14:00:00+00:00	CEL	6,054,104.68	0.00074201	650.00%
2022-06-11T15:00:00+00:00	CEL	6,198,598.63	0.00074201	650.00%
2022-06-11T16:00:00+00:00	CEL	7,438,616.02	0.00415922	3643.48%
2022-06-11T17:00:00+00:00	CEL	7,611,433.18	0.00410959	3600.00%
2022-06-11T18:00:00+00:00	CEL	8,005,414.65	0.00410959	3600.00%
2022-06-11T19:00:00+00:00	CEL	8,094,806.75	0.00410959	3600.00%
2022-06-11T20:00:00+00:00	CEL	8,073,138.91	0.00410959	3600.00%
2022-06-11T21:00:00+00:00	CEL	8,207,359.44	0.00296804	2600.00%
2022-06-11T22:00:00+00:00	CEL	8,337,831.05	0.00296804	2600.00%
2022-06-11T23:00:00+00:00	CEL	8,510,734.24	0.00296804	2600.00%
2022-06-12T00:00:00+00:00	CEL	8,478,516.99	0.00296804	2600.00%
2022-06-12T01:00:00+00:00	CEL	8,410,160.67	0.00074201	650.00%
2022-06-12T02:00:00+00:00	CEL	8,519,310.96	0.00114155	1000.00%
2022-06-12T03:00:00+00:00	CEL	8,665,314.17	0.00228311	2000.00%
2022-06-12T04:00:00+00:00	CEL	8,635,402.00	0.00011416	100.00%
2022-06-12T05:00:00+00:00	CEL	8,644,393.84	0.00011416	100.00%
2022-06-12T06:00:00+00:00	CEL	8,493,814.96	0.00011416	100.00%
2022-06-12T07:00:00+00:00	CEL	8,444,263.79	0.00011416	100.00%
2022-06-12T08:00:00+00:00	CEL	8,237,401.97	0.00011416	100.00%
2022-06-12T09:00:00+00:00	CEL	8,212,079.17	0.00011416	100.00%
2022-06-12T10:00:00+00:00	CEL	8,202,858.84	0.00011416	100.00%
2022-06-12T11:00:00+00:00	CEL	8,288,162.12	0.00011416	100.00%
2022-06-12T12:00:00+00:00	CEL	8,306,535.64	0.00011416	100.00%
2022-06-12T13:00:00+00:00	CEL	8,304,653.65	0.00011416	100.00%
2022-06-12T14:00:00+00:00	CEL	8,606,192.23	0.00011416	100.00%
2022-06-12T15:00:00+00:00	CEL	8,572,649.90	0.00011416	100.00%
2022-06-12T16:00:00+00:00	CEL	8,049,979.65	0.00011416	100.00%
2022-06-12T17:00:00+00:00	CEL	8,042,040.95	0.00011416	100.00%
2022-06-12T18:00:00+00:00	CEL	8,116,988.02	0.00011416	100.00%
2022-06-12T19:00:00+00:00	CEL	8,135,326.16	0.00011416	100.00%
2022-06-12T20:00:00+00:00	CEL	8,187,765.38	0.00011416	100.00%
2022-06-12T21:00:00+00:00	CEL	8,335,227.93	0.00011416	100.00%
2022-06-12T22:00:00+00:00	CEL	8,368,590.46	0.00011416	100.00%
2022-06-12T23:00:00+00:00	CEL	8,404,810.90	0.00296804	2600.00%
2022-06-13T00:00:00+00:00	CEL	8,544,877.52	0.00011416	100.00%
2022-06-13T01:00:00+00:00	CEL	8,640,175.62	0.00011416	100.00%
2022-06-13T02:00:00+00:00	CEL	8,805,853.15	0.00011416	100.00%
2022-06-13T03:00:00+00:00	CEL	20,489,514.05	0.00415922	3643.48%
2022-06-13T04:00:00+00:00	CEL	16,698,619.58	0.00415922	3643.48%
2022-06-13T05:00:00+00:00	CEL	16,508,735.83	0.00415922	3643.48%
2022-06-13T06:00:00+00:00	CEL	17,100,173.18	0.00296804	2600.00%
2022-06-13T07:00:00+00:00	CEL	19,419,847.07	0.00296804	2600.00%
2022-06-13T08:00:00+00:00	CEL	18,736,511.94	0.00296804	2600.00%
2022-06-13T09:00:00+00:00	CEL	18,850,853.44	0.00296804	2600.00%
2022-06-13T10:00:00+00:00	CEL	19,048,562.53	0.00296804	2600.00%
2022-06-13T11:00:00+00:00	CEL	18,968,711.36	0.00296804	2600.00%
2022-06-13T12:00:00+00:00	CEL	18,996,850.06	0.00296804	2600.00%
2022-06-13T13:00:00+00:00	CEL	18,930,160.41	0.00296804	2600.00%

Active shorting of CEL Before the pause

9,837,994.00

Tokens available for shorting

5,066,329.00

Surge of naked shorts at the moment of the pause

EXHIBIT 2

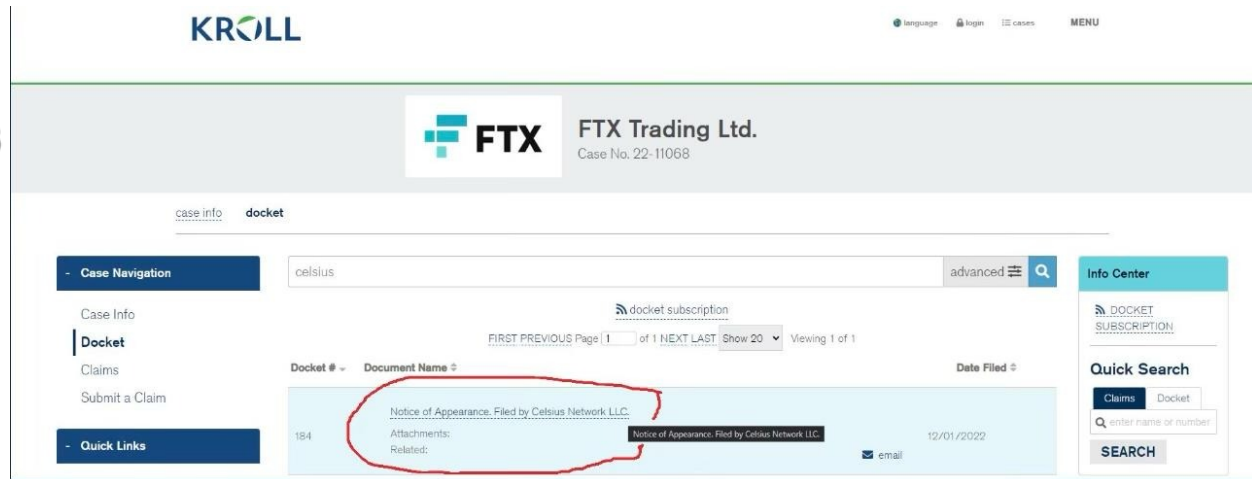
2022-07-12T19:00:00+00:00	CEL	6,466,548.54	0.00011416	100.00%	
2022-07-12T20:00:00+00:00	CEL	6,457,560.58	0.00011416	100.00%	
2022-07-12T21:00:00+00:00	CEL	6,446,470.02	0.00011416	100.00%	
2022-07-12T22:00:00+00:00	CEL	6,448,787.23	0.00011416	100.00%	
2022-07-12T23:00:00+00:00	CEL	6,441,966.55	0.00011416	100.00%	
2022-07-13T00:00:00+00:00	CEL	6,385,578.82	0.00011416	100.00%	1,021,684.00
2022-07-13T01:00:00+00:00	CEL	6,419,340.86	0.00011416	100.00%	
2022-07-13T02:00:00+00:00	CEL	6,368,375.82	0.00011416	100.00%	
2022-07-13T03:00:00+00:00	CEL	6,415,283.30	0.00011416	100.00%	
2022-07-13T04:00:00+00:00	CEL	6,415,433.54	0.00011416	100.00%	
2022-07-13T05:00:00+00:00	CEL	6,434,080.64	0.00011416	100.00%	
2022-07-13T06:00:00+00:00	CEL	6,373,014.75	0.00011416	100.00%	
2022-07-13T07:00:00+00:00	CEL	6,421,245.55	0.00011301	99.00%	
2022-07-13T08:00:00+00:00	CEL	6,398,599.41	0.00011301	99.00%	
2022-07-13T09:00:00+00:00	CEL	6,392,972.69	0.00011301	99.00%	
2022-07-13T10:00:00+00:00	CEL	6,381,129.16	0.00011301	99.00%	
2022-07-13T11:00:00+00:00	CEL	6,398,022.13	0.00000456	3.99%	
2022-07-13T12:00:00+00:00	CEL	6,395,826.27	0.00000456	3.99%	
2022-07-13T13:00:00+00:00	CEL	6,495,479.17	0.00000456	3.99%	
2022-07-13T14:00:00+00:00	CEL	6,402,727.09	0.00022831	200.00%	
2022-07-13T15:00:00+00:00	CEL	6,371,627.99	0.00296804	2600.00%	
2022-07-13T16:00:00+00:00	CEL	6,224,854.20	0.00296804	2600.00%	
2022-07-13T17:00:00+00:00	CEL	6,119,125.43	0.00296804	2600.00%	
2022-07-13T18:00:00+00:00	CEL	5,844,157.82	0.00296804	2600.00%	
2022-07-13T19:00:00+00:00	CEL	5,657,797.64	0.00262557	2300.00%	
2022-07-13T20:00:00+00:00	CEL	5,570,156.84	0.0022831	2000.00%	
2022-07-13T21:00:00+00:00	CEL	5,568,326.69	0.00114155	1000.00%	
2022-07-13T22:00:00+00:00	CEL	5,428,306.50	0.00091209	798.99%	
2022-07-13T23:00:00+00:00	CEL	5,381,747.26	0.00044178	387.00%	
2022-07-14T00:00:00+00:00	CEL	5,548,481.99	0.001	876.00%	2,620,832.00
2022-07-14T01:00:00+00:00	CEL	5,664,154.18	0.00022831	200.00%	
2022-07-14T02:00:00+00:00	CEL	6,856,936.87	0.00296804	2600.00%	
2022-07-14T03:00:00+00:00	CEL	7,127,638.95	0.00296804	2600.00%	
2022-07-14T04:00:00+00:00	CEL	6,956,913.73	0.00296804	2600.00%	
2022-07-14T05:00:00+00:00	CEL	7,058,865.00	0.00296804	2600.00%	
2022-07-14T06:00:00+00:00	CEL	6,838,594.70	0.00296804	2600.00%	
2022-07-14T07:00:00+00:00	CEL	6,868,867.10	0.00296804	2600.00%	
2022-07-14T08:00:00+00:00	CEL	6,738,639.83	0.00296804	2600.00%	
2022-07-14T09:00:00+00:00	CEL	6,596,759.72	0.00296804	2600.00%	
2022-07-14T10:00:00+00:00	CEL	6,585,018.68	0.00296804	2600.00%	
2022-07-14T11:00:00+00:00	CEL	6,537,433.54	0.00296689	2599.00%	
2022-07-14T12:00:00+00:00	CEL	6,512,774.26	0.00296689	2599.00%	
2022-07-14T13:00:00+00:00	CEL	6,478,210.89	0.00296689	2599.00%	
2022-07-14T14:00:00+00:00	CEL	6,366,737.82	0.00296689	2599.00%	
2022-07-14T15:00:00+00:00	CEL	6,311,646.87	0.00296689	2599.00%	
2022-07-14T16:00:00+00:00	CEL	5,969,788.34	0.00296689	2599.00%	
2022-07-14T17:00:00+00:00	CEL	5,435,305.42	0.00022831	200.00%	
2022-07-14T18:00:00+00:00	CEL	5,274,414.01	0.00114155	1000.00%	
2022-07-14T19:00:00+00:00	CEL	5,268,918.88	0.00114155	1000.00%	

15 Million short  
positions closed  
between pause and  
petition

Still roughly 4  
million illegal  
Naked short  
positions open  
post petition  
date



EXHIBIT 3



The reason FTX and other entities were able to take advantage of myself, all other creditors, and the debtors is because renegade officers at Celsius – such as, but not limited to, Chris Ferraro and Rod Bolger, the former CFO of Celsius – illegally and secretly gave critically sensitive financial information of the company to FTX and other parties, without the consent (written or otherwise) or knowledge of the Celsius Board of Directors or Alex Mashinsky. (EXHIBIT 4)

Your Honor, there is no doubt that these sensitive documents shared with FTX containing the company's private financial information were prepared by Chris Ferraro, Jason Perman, Rod Boldger, and other officers as per EXHIBIT 4 that I've attached to this motion.

There is no doubt that the illegal dissemination to and solicitation of FTX was done without express or implied authorization or permission from the CEO or the Celsius Board of Directors. There is no doubt that all these actions were the primary factor that caused the collapse of Celsius and the need to file for chapter 11, while simultaneously dramatically increasing the losses associated with the bankruptcy.

I have all the evidence necessary to show you that the majority of damages were

caused by these executives of the company and the unauthorized actions they took. These are serious accusations and I and other CEL token holders stand by them. This is NOT Chris Ferraro doing his job. His title when he was preparing this presentation (EXHIBIT 4, Bates stamped CEL-UCC 00082697) to give to FTX was vice president of financial planning.

## EXHIBIT 4

k	
Chris Ferraro	2022-06-02 09:42:11.507 PM
hi, the investors loved slide 16. do you think we can update the analysis daily and maybe add a trend?	
Jason Perman	2022-06-02 09:43:22.243 PM
Yea need to figure out a good way to do it	
Jason Perman	2022-06-02 09:43:30.650 PM
Were u in the meeting	
Chris Ferraro	2022-06-02 09:43:33.430 PM
yes	
Chris Ferraro	2022-06-02 09:43:39.690 PM
good meeting	
Chris Ferraro	2022-06-02 09:43:42.863 PM
the liked the plan	
Jason Perman	2022-06-02 09:43:57.377 PM
How we gonna raise capital	
Jason Perman	2022-06-02 09:45:42.477 PM
Has anyone gotten through to Alex how dire it is	
Jason Perman	2022-06-02 09:45:54.373 PM
And does he realize he's gonna lose power if we do a round	
Chris Ferraro	2022-06-02 09:47:22.647 PM
Alex will never get it	
Jason Perman	2022-06-02 09:54:57.027 PM
Rod said he's an optimist. I said he's just delusional	
Jason Perman	2022-06-02 11:59:09.257 PM

FOIA CONFIDENTIAL TREATMENT REQUESTED BY CELSIUS  
HIGHLY CONFIDENTIAL

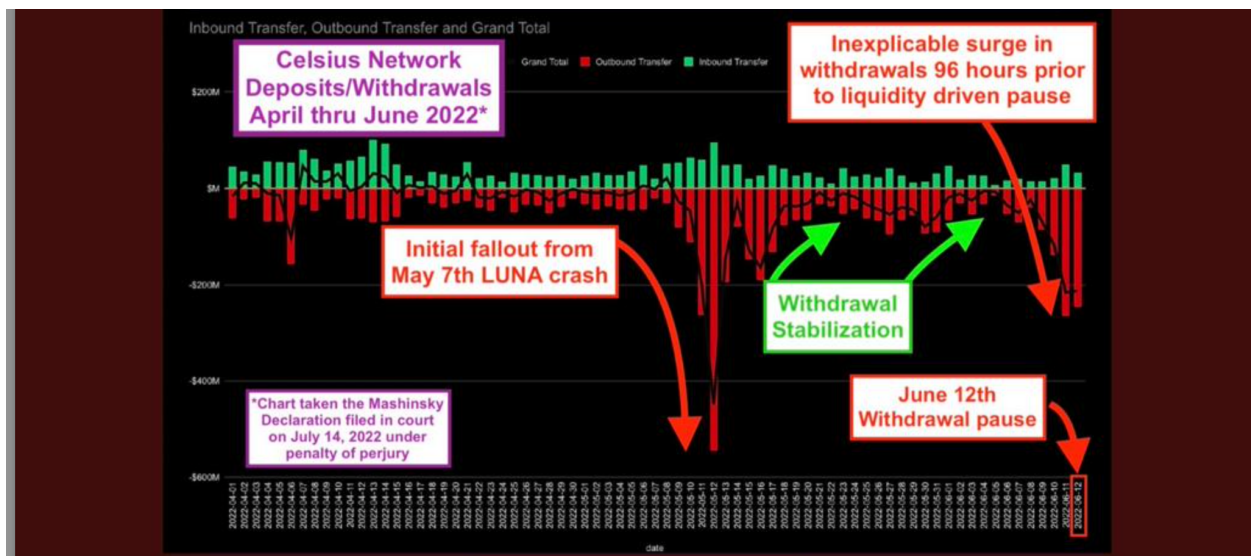
CELSIUS\_SEC\_00027411  
CEL-UCC-00082697

Ferraro had no authority to share the private financial data with a competitor, which is what he's doing in this document, Bates stamped CEL-UCC 00082697, let alone what turned out to be the complete criminal organization of FTX. By revealing the positions of the company in his (Chris Ferraro's) presentation to FTX, they allowed FTX and others to force liquidation of Celsius's positions and attacked CEL token to create fear and a mass of withdrawals. It is for this exact reason why the Debtors are suing FTX for \$2 billion, because they know that FTX and

Alameda Research manipulated the CEL token price down from \$3.00 via naked shorts, as well as attacking other market positions.

When the Celsius private financials were shared with FTX on or around June 5, 2022, you can see a parabolic increase of withdrawals. The illicit actions of these renegade officers were the defining action that put Celsius into Chapter 11.

We are all here in Chapter 11 because Chris Ferraro, Jason Perman, Rod Boldger, and others that did not understand that exposing all of Celsius's positions to FTX allowed FTX to front-run and de-peg Celsius positions worth billions of dollars, causing the majority of the losses now felt by creditors. Because of the actions of these executives and the complete disregard for information security, Celsius was forced to sell assets, including stETH and WBTC, well below market prices, while internally there was a desperate attempt to sell the company to FTX and unseat Alex Mashinsky as CEO.



There is also no doubt that withdrawals skyrocketed after June 5, 2022, which is exactly the same time that such sensitive financial information was shared with FTX. There is further no doubt that FTX de-pegged stETH, WBTC and GBTC as well as other assets to try to liquidate Celsius on or around June 5, 2022 as a result of this betrayal by the officers of the company.

Your Honor, I already hold ample evidence for every one of these steps, but I look forward to enhanced discovery to bring to light those who caused billions of dollars of damages to myself and all other creditors. It's more than clear the UCC is trying to blame CEL token creditors for the sins of Chris Ferraro, Jason Perman, and Rod Boldger. We will not allow this claim to stand and we will expose the UCC for wrongfully claiming this and request damages, sanctions and action be taken against them and their attorneys.

Bankruptcy law states that the price of an asset is on the day of the filing, and in this case it's clear that because of the actions of Chris Ferraro, Jason Perman, and Rod Boldger, CEL token creditors were damaged above and beyond all other creditors because of the attack they helped facilitate.

I believe that \$0.81 is fair, but after certain documents have come to light I would support a new and fair valuation of CEL token that takes into consideration the massive downward manipulation FTX committed against CEL token. I have ample evidence to show that the damages caused to me and other CEL token creditors are directly attributed to the unauthorized actions of Chris Ferraro, Jason Perman, and Rod Boldger, and others secretly meeting with FTX and handing over sensitive company financial information without the permission or consent of the Celsius Board of Directors or the CEO.

Your Honor, since EXHIBIT 7 has been purposely hidden from the Court, Let me



enlighten this court as to how I became in possession of it. Yesterday, September 21, 2023 at 6:51 PM Eastern Time, I was sent an email with an attached document that had the words “FOIA CONFIDENTIAL TREATMENT REQUESTED BY CELSIUS | HIGHLY CONFIDENTIAL.” The email was sent from Carolyn Gurland, an attorney at White & Case, to T.J. McCarrick of Kirkland & Ellis and myself, Otis Davis, with CC’s to Kathryn Kuethman, Samuel Hershey, Aaron Colodny, Joshua Weedman, Michael Jaoude and the White & Case SPAC Team, all of White & Case; also CC’ing Judson Brown, Ross M. Kwasteniet, Chris Koenig, Grace C. Brier, and Hannah C. Simson, all of Kirkland & Ellis.

Let me make it clear to this court what the document says, since White & Case and Kirkland & Ellis are claiming that they don’t know what this “FOIA CONFIDENTIAL TREATMENT REQUESTED BY CELSIUS | HIGHLY CONFIDENTIAL” document says. What this document says is that there is no doubt that FTX/Alameda Research enabled naked shorting of CEL to the tune of over 20 million CEL tokens, and Chris Ferraro along with others gave FTX the critical data on the debtor’s active positions to force them into a liquidity crisis.

## **SETTLEMENT NEGOTIATIONS**

Judge, during our settlement negotiations, Chris Koenig of Kirkland & Ellis threatened me, once again bullying me, telling me that I could go out there and violate confidentiality and they will bring me in front of the court, saying you, Otis Davis, knew it was confidential and you released it, stating that the court can hold me in contempt. In addition, Aaron Colody also tried to intimidate me by lying and telling me that I have to file this document under seal.

After my lawyer and I got off the call with the UCC and Debtors' counsel, at about 3:30 PM on September 21, 2023, T.J. McCarrick of Kirkland & Ellis sent me an email and copied 13 attorneys from both his firm White & Case and Kirkland & Ellis, a screenshot of which is attached. (EXHIBIT 6) T.J. McCarrick sent this email to cover his mistakes, because he knew they threatened me in that settlement negotiation, saying that if I put this document in my motion and the document is not under seal, that there will be consequences. T.J. McCarrick's email reads as follows: "To the extent used in connection with any objection tomorrow, the Debtors will not assert confidentiality over the documents inadvertently produced and will not insist on the use of any sealing procedures."

T.J. McCarrick simply sent that email to cover his colleague Chris Koenig's inappropriate behavior and all the other attorneys' inappropriate behavior in that settlement negotiation. He knew I was threatened by Chris Koenig, his colleague at Kirkland & Ellis, and he didn't want me to go to your Honor and lay out the facts of their bad-faith settlement negotiations, which amounted to nothing but a threat. They offered me nothing new and said that their hands are tied. If their hands are tied, why did they want to have some sort of settlement with me? Well, the answer is to threaten me over the document that they sent to me through their reckless behavior. Judge, I have no Confidentiality Agreement with anyone, much less any of these lawyers. When they realized that their threats didn't work, they sent that email, EXHIBIT 6, saying they won't object to the document being filed with the court, implying that they did nothing wrong.



McCarrick, T.J.

RE: Immediate CEL token settlement

To: Otis Davis, Hershey, Samuel, Cc: Kuethman, Kathryn, Colodny, Aaron, Weedman, Joshua, Brown, Judson & 8 more

5:06 PM

[Details](#)

Otis-

To the extent used in connection with any objection tomorrow, the Debtors will not assert confidentiality over the documents inadvertently produced and will not insist on the use of any sealing procedures.

Regards,  
T.J.

**T.J. McCarrick**

KIRKLAND & ELLIS LLP  
1301 Pennsylvania Ave, N.W., Washington, D.C. 20004  
T +1 202 389 3136 M +1 202 746 1376  
F +1 202 389 5200

[tj.mccarrick@kirkland.com](mailto:tj.mccarrick@kirkland.com)

[See More from McCarrick, T.J.](#)

EXHIBIT 6

## CONCLUSION

Your Honor, I filed an objection at Docket 3084 regarding CEL token subordination, and your Honor indicated this is not the time for that objection and you're not ruling on it now and will table the objection for the confirmation hearing. Judge, I renew that objection to subordinate CEL token creditors from \$0.81 to \$0.25 based on the insufficient evidence presented by the UCC or the Debtors. I presented the court today with numerous pieces of evidence, proving that the vast majority of the upwards price movement from the pause date to the petition date was caused by illegal naked shorts closing their positions and thus buying back tokens that increased the price of CEL. I also proved, based on the "FOIA CONFIDENTIAL TREATMENT REQUESTED BY CELSIUS | HIGHLY CONFIDENTIAL" document that was sent to me by Carolyn Gurland of White & Case through her negligent error, that Chris Ferraro, Jason Perman, Rod Bolger and others were sharing sensitive company financial information with outside parties, namely FTX, that then used that information to attack Celsius and the CEL token. Lastly, I proved that the UCC and the Debtors' counsel are withholding sensitive information that

completely refutes the narrative that has been used to argue for the subordination of CEL token, hurting creditors like myself.

### **RELIEF**

The relief I am respectfully seeking from this Court is (1) Order the \$0.25 settlement nullified; (2) Recognize that \$0.81 is a fair and reasonable price for all CEL tokens on the date of petition; (3) If The UCC and the Debtors do not feel \$0.81 is a fair price for CEL token on the date of petition, compel the UCC and the Debtors' counsel to produce advanced discovery for all documents related to CEL token; including, but not limited to, confidential, highly confidential, and "FOIA CONFIDENTIAL TREATMENT REQUESTED BY CELSIUS | HIGHLY CONFIDENTIAL" documents related to CEL token and FTX, including the information received from the Subpoena that was issued to FTX by your Honor. For the layman, the acronym FOIA means Freedom of Information Act.



Judge, this is the “FOIA CONFIDENTIAL TREATMENT REQUESTED BY CELSIUS | HIGHLY CONFIDENTIAL” document that was sent to me due to the negligence of Carolyn Gurland of White & Case, in which they threatened me during our settlement negotiations. (EXHIBIT 7)

D039DN98WAG						
Chat Filters <input checked="" type="checkbox"/> Events <input checked="" type="checkbox"/> History <input checked="" type="checkbox"/> Disclaimers						
<input checked="" type="checkbox"/>	Participant	Entity	Login	Email		
<input checked="" type="checkbox"/>	Jason Perman	Celsius	U028PN0N03B	jason.perman@celsius.network	33	2
<input checked="" type="checkbox"/>	Chris Ferraro	Celsius	U0399FG7UH1	chris.ferraro@celsius.network	25	0
	Jason Perman				2022-06-02 01:05:23.900 PM	
	add him to the list so he will stop talking forever					
	Chris Ferraro				2022-06-02 01:53:54.420 PM	
	any luck on liquidity post raise - "Pro Forma liquidity ratio post raise improves to XYZ from ABC"					
	Jason Perman				2022-06-02 01:58:02.817 PM	
	have to get to it later, got my daughters pre-school graduation shortly					
	Chris Ferraro				2022-06-02 01:58:16.437 PM	
	that is fun....congrats. enjoy					
	Chris Ferraro				2022-06-02 03:19:47.817 PM	
	do you have time to chat with Rod and myself, he is asking for me to start a conference call					
	Jason Perman				2022-06-02 03:20:38.907 PM	
	Yea I can't right now - at the graduation					
	Chris Ferraro				2022-06-02 03:20:49.770 PM	
	got ya					
	Jason Perman				2022-06-02 03:21:18.333 PM	
	Todo rod					
	Jason Perman				2022-06-02 03:21:19.843 PM	
	Told					
	Chris Ferraro				2022-06-02 03:21:34.903 PM	
	its all good					

EXHIBIT 7

Told	
Chris Ferraro	2022-06-02 03:21:34.903 PM
its all good	
Jason Perman	2022-06-02 04:21:16.923 PM
I'll be free 12:45 or so	
Jason Perman	2022-06-02 05:14:11.340 PM
so for the pro forma - we have how much collat we can free up, what do you want to run those numbers through	
Chris Ferraro	2022-06-02 05:25:33.983 PM
just to get some sort of top line liquidity metric	
Chris Ferraro	2022-06-02 05:25:49.660 PM
ETH and BTC coins freed up and \$	
Jason Perman	2022-06-02 05:28:19.097 PM
Ok I have total. Dean is working on the split	
Jason Perman	2022-06-02 06:02:21.603 PM
420k ETH and 35.2K BTC	
Jason Perman	2022-06-02 06:02:28.250 PM
needless to say we would be freed from our burden	
Chris Ferraro	2022-06-02 06:02:34.020 PM
😊	
Jason Perman	2022-06-02 06:02:55.480 PM

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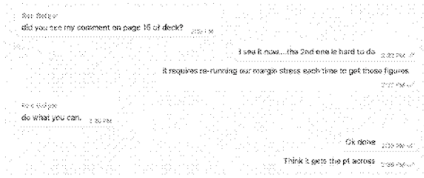
cures our entire Severe Market Stress	
Jason Perman	2022-06-02 06:03:00.723 PM
brings BTC and ETH above 100%	
Jason Perman	2022-06-02 06:03:13.697 PM
so in other words clearly need that capital	
Jason Perman	2022-06-02 06:03:20.283 PM
which we all knew but now we have numbers	
Chris Ferraro	2022-06-02 06:03:33.167 PM
if only we could get the capital	
Chris Ferraro	2022-06-02 06:03:52.890 PM
how was graduation? off to kindergarten next year?	
Jason Perman	2022-06-02 06:04:49.777 PM
was good, yea off to kindergarten	
Chris Ferraro	2022-06-02 06:07:07.197 PM
• this okay....."Pro Forma liquidity under severe market stress of +50k ETH and 10k BTC - currently negative (371k) ETH and (22k) BTC "	
Jason Perman	2022-06-02 06:07:47.387 PM
dont follow	
Jason Perman	2022-06-02 06:08:00.813 PM
oh u took the current deficit + my adds	
Chris Ferraro	2022-06-02 06:08:04.967 PM
yes	
Jason Perman	2022-06-02 06:08:11.173 PM
i think would drive the pt home	
Jason Perman	2022-06-02 06:08:25.517 PM
cures our most severe deficit and gives us significantly more operating leverage etc etc	
Chris Ferraro	2022-06-02 06:09:18.127 PM
how about this...	

Chris Ferraro	2022-06-02 06:09:18.127 PM
how about this...	
Chris Ferraro	2022-06-02 06:09:53.050 PM
<ul style="list-style-type: none"><li>• Pro Forma liquidity under severe market stress of +50k ETH and +10k BTC - currently negative (371k) ETH and (22k) BTC - \$1B capital raise would cure out most significant liquidity deficit and provide significantly improved operating leverage</li></ul>	
Jason Perman	2022-06-02 06:11:29.350 PM
<ul style="list-style-type: none"><li>• Pro Forma liquidity excess above our MLO under severe market stress of +50k ETH and +10k BTC - currently negative (371k) ETH and (22k) BTC - \$1B capital raise would cure our largest liquidity deficit and provide significantly improved operating leverage</li></ul>	
Chris Ferraro	2022-06-02 06:11:36.007 PM
thanks	
Chris Ferraro	2022-06-02 06:58:10.827 PM
did you see Rod's comments on the last slide?	
Jason Perman	2022-06-02 06:58:19.987 PM
I addressed them - for most part	
Jason Perman	2022-06-02 06:58:47.673 PM

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Chris Ferraro	2022-06-02 07:11:54.110 PM
how about 1 and 3?	
Jason Perman	2022-06-02 07:13:43.693 PM
its all wrapped together	
Jason Perman	2022-06-02 07:13:52.580 PM
i've answered his prime questions I think	
Chris Ferraro	2022-06-02 07:13:56.627 PM
okay	
Jason Perman	2022-06-02 07:14:01.413 PM
u let me know	
Chris Ferraro	2022-06-02 07:14:08.987 PM
i just need to get the deck out	
Chris Ferraro	2022-06-02 07:14:16.577 PM
ill ask Rod if he is okay	
Jason Perman	2022-06-02 07:15:07.197 PM
k	
Chris Ferraro	2022-06-02 09:42:11.507 PM
hi, the investors loved slide 16. do you think we can update the analysis daily and maybe add a trend?	
Jason Perman	2022-06-02 09:43:22.243 PM
Yea need to figure out a good way to do it	
Jason Perman	2022-06-02 09:43:30.650 PM
Were u in the meeting	
Chris Ferraro	2022-06-02 09:43:33.430 PM

Were u in the meeting

---

Chris Ferraro 2022-06-02 09:43:33.430 PM

---

yes

---

Chris Ferraro 2022-06-02 09:43:39.690 PM

---

good meeting

---

Chris Ferraro 2022-06-02 09:43:42.863 PM

---

the liked the plan

---

Jason Perman 2022-06-02 09:43:57.377 PM

---

How we gonna raise capital

---

Jason Perman 2022-06-02 09:45:42.477 PM

---

Has anyone gotten through to Alex how dire it is

---

Jason Perman 2022-06-02 09:45:54.373 PM

---

And does he realize he's gonna lose power if we do a round

---

Chris Ferraro 2022-06-02 09:47:22.647 PM

---

Alex will never get it

---

Jason Perman 2022-06-02 09:54:57.027 PM

---

Rod said he's an optimist. I said he's just delusional

---

Jason Perman 2022-06-02 11:59:09.257 PM

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what happened to no conferences



#Crypto is changing everything - what does this mean for you and your business?

Join Alex Mashinsky and the Celcius team in Amsterdam for the TNW Conference happening June 16-17th.

For more information, visit: <https://bit.ly/tnw2022>



0 1

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Chat Filters <input checked="" type="checkbox"/> Events <input checked="" type="checkbox"/> History <input checked="" type="checkbox"/> Disclaimers						
<input checked="" type="checkbox"/>	Participant	Entity	Login	Email		
<input checked="" type="checkbox"/>	Glenn Williams	Celsius	U01HVLTEGLD	glenn.williams@celsius.network	31	0
<input checked="" type="checkbox"/>	Chris Ferraro	Celsius	U0399FG7UH1	chris.ferraro@celsius.network	37	0
	Chris Ferraro				2022-06-13 02:28:26.683 PM	
	how you doing with freeze?					
	Glenn Williams				2022-06-13 02:28:50.653 PM	
	i'm in the middle of it now					
	Chris Ferraro				2022-06-13 02:31:15.277 PM	
	okay					
	Glenn Williams				2022-06-13 02:34:56.050 PM	
	its frozen so you can see the data on the summary by coin page. however, there are #REF errors in the live sheet that have carried over into the freeze.					
	Chris Ferraro				2022-06-13 02:37:00.297 PM	
	do you have highlights of what changed?					
	Glenn Williams				2022-06-13 02:38:12.550 PM	
	Stables down 63mm BTC down 4,344 ETH down 11,189 MATIC down 184,239,555					
	Chris Ferraro				2022-06-13 02:38:42.023 PM	
	do we think we are picking up correctly?					
	Glenn Williams				2022-06-13 02:39:10.223 PM	
	i don't have confidence in these numbers					
	Chris Ferraro				2022-06-13 02:39:18.560 PM	
	either do i					
	Chris Ferraro				2022-06-13 02:39:54.523 PM	
	okay, what can we do					
	Chris Ferraro				2022-06-13 02:40:20.900 PM	



---

okay, what can we do

---

Chris Ferraro 2022-06-13 02:40:20.900 PM

---

this is the most important things right now...

---

Glenn Williams 2022-06-13 02:41:57.727 PM

---

for starters we have to wait for the live sheet to update properly so that we can have a look at data without errors. hopefully that will occur within the hour. then from there we need to verify the balances in BTC, ETH, Stables, and MATIC. it would help to know if we moved any MATIC off of Bitfinex, and if so, where it was moved to

---

Chris Ferraro 2022-06-13 02:42:42.587 PM

---

can you focus entirely on getting freeze out as soon as possilbe

---

Glenn Williams 2022-06-13 02:52:50.757 PM

---

That's fine. I thought you were asking what we could do.

---

Chris Ferraro 2022-06-13 02:59:59.693 PM

---

good, can you give me an update every 30 minutes. Investors and Bankers are waiting

---

Glenn Williams 2022-06-13 03:01:36.347 PM

---

as soon as the live sheet updates, I'll do another freeze

---

Chris Ferraro 2022-06-13 03:02:53.087 PM

---

thx

---

Glenn Williams 2022-06-13 03:22:53.800 PM

---

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Glenn Williams 2022-06-13 03:23:50.363 PM  
up \$17mm in stables down 1786 BTC down 8030 ETH down 184mm MATIC

Chris Ferraro 2022-06-13 03:24:20.070 PM  
do you know if anyone can validate if a manual adj is needed?

Glenn Williams 2022-06-13 03:26:39.083 PM  
it would depend on the specific manual adjustment. generally on freeze days anything new comes from Defi, which Eric provides, or institutional, which Connor usually places directly in the freeze

Glenn Williams 2022-06-13 03:26:52.207 PM  
i haven't been made aware of anything new that needs to be added or deleted.

Chris Ferraro 2022-06-13 03:27:28.383 PM  
im not sure why the position changed so much excluding CEL. Given prices went down i would assume the hold would shrink

Glenn Williams 2022-06-13 03:29:39.397 PM  
the largest decline was MATIC via direct staking. we generally don't freeze this early because it takes time for everything to settle.

Chris Ferraro 2022-06-13 03:31:40.693 PM  
can you send to richard and have him look at it ASAP? where was teh BTC and ETH drops?

Glenn Williams 2022-06-13 03:37:39.123 PM  
BTC is loans outstanding ETH is out of defi borrows collateral

Glenn Williams 2022-06-13 03:39:48.760 PM  
Richard indicated that he received a request to unstake our entire MATIC position. it takes 3 days to unstake, so that's why the amount is not showing up. i have the amount needed to adjust for.

Glenn Williams 2022-06-13 03:40:29.347 PM  
i also have to go pick up my 10 year old from school so will be away from the computer for 30 mins or so.

Chris Ferraro 2022-06-13 03:45:07.757 PM  
okay

Chris Ferraro 2022-06-13 03:45:53.533 PM  
can we ask Conner to look into BTC and DeFi to look into ETH

Chris Ferraro 2022-06-13 03:45:55.933 PM  
urgently

Chris Ferraro 2022-06-13 04:57:22.487 PM  
you back

Chris Ferraro 2022-06-13 04:59:42.680 PM

you back

Chris Ferraro 2022-06-13 04:59:42.680 PM  
i asked Dean to help

Glenn Williams 2022-06-13 04:59:57.750 PM  
Yes I am. Connor indicated that Instilend is not accurate at the moments. Dean indicated that a lot of movement is occurring in Defi.

Chris Ferraro 2022-06-13 05:00:12.800 PM  
im with you, but we need somethign to work with

Glenn Williams 2022-06-13 05:00:22.217 PM  
I can make an adjustment to account for the MATIC that is being unstaked

Chris Ferraro 2022-06-13 05:00:23.570 PM  
so we need to get SMEs on call and make some assumptions

Chris Ferraro 2022-06-13 05:29:22.383 PM  
what is the update?

Chris Ferraro 2022-06-13 05:34:03.503 PM  
put all effort into this\

Chris Ferraro 2022-06-13 07:04:49.617 PM

any update?

Chris Ferraro

2022-06-13 07:04:55.727 PM

please keep me posted

Glenn Williams

2022-06-13 07:06:30.997 PM

nothing new as of yet.

Chris Ferraro

2022-06-13 07:10:02.433 PM

has connors team started the analysis?

Glenn Williams

2022-06-13 07:13:54.873 PM

they've started the analysis, and i sent a follow up note

Chris Ferraro

2022-06-13 07:15:25.497 PM

thx

Chris Ferraro

2022-06-13 08:49:29.223 PM

any update

Glenn Williams

2022-06-13 08:50:34.273 PM

I spoke with Connor and there is no update from him as of yet. i'm currently on with Roni and Shelly.

Glenn Williams

2022-06-13 08:52:00.190 PM

also, there has been huge movement on the live sheet since this morning. have you been given any indication that BTC or ETH has been moved today?

Chris Ferraro

2022-06-13 08:55:17.633 PM

of course

Chris Ferraro

2022-06-13 08:55:38.657 PM

were we long?

Glenn Williams

2022-06-13 08:56:24.680 PM

we were short 2400 this morning, and the live sheet shows us short 41,000 now

Chris Ferraro

2022-06-13 09:00:55.117 PM

so the net liability position should have gotten smaller

Chris Ferraro

2022-06-13 09:01:01.863 PM

not bigger

Glenn Williams

2022-06-13 09:04:10.650 PM

its showing that our net position in dollars for BTC got significantly worse, on a decline in BTC as an asset

not bigger

Glenn Williams 2022-06-13 09:04:10.650 PM

its showing that our net position in dollars for BTC got significantly worse, on a decline in BTC as an asset

Glenn Williams 2022-06-13 09:04:33.793 PM

i'm speaking with Connor via Slack now

Glenn Williams 2022-06-13 09:34:02.737 PM

Connor sent word that he made all of his needed adjustments

Chris Ferraro 2022-06-13 09:48:52.583 PM

what else is outstanidng? what else looks off?

Glenn Williams 2022-06-13 09:51:53.287 PM

all adjustments have been made. also according to Connor, our BTC was liquidated by Tether.

Chris Ferraro 2022-06-13 09:52:29.507 PM

yes it was

Chris Ferraro 2022-06-13 09:52:37.487 PM

but how does the report look to you

Chris Ferraro 2022-06-13 09:53:00.987 PM

how much was the net position vs Friday?

Glenn Williams 2022-06-13 09:55:56.807 PM

we are freezing it again now

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Glenn Williams	2022-06-13 09:56:04.823 PM
based on the info we have, it looks complete	
Glenn Williams	2022-06-13 09:59:51.130 PM
we're at approx -\$1038.	
Chris Ferraro	2022-06-13 10:00:01.040 PM
where were we friday?	
Glenn Williams	2022-06-13 10:01:15.920 PM
-\$923mm	
Chris Ferraro	2022-06-13 10:01:43.837 PM
so 100mm to the worse? any idea what drove that?	
Glenn Williams	2022-06-13 10:02:34.187 PM
i would tie the primary cause to liquidation	



i hear you  
Dean Tappen 2022-04-13 05:39:09.507 PM  
Sent you a Google meet  
Chris Ferraro 2022-04-13 05:39:13.893 PM  
cool  
Dean Tappen 2022-04-13 08:10:28.357 PM  
Not to put another thing on your plate but We have paid USD out to top employees totaling \$40,154,760.78 due to CEL buybacks  
Dean Tappen 2022-04-13 08:11:00.983 PM  
Not sure if we should be monitoring or limiting this in anyway but wanted to make you aware  
Dean Tappen 2022-04-13 08:12:57.457 PM  
Top employees being Alex, Daniel, nuke, etc....  
Chris Ferraro 2022-04-13 08:16:39.873 PM  
so we pay in CEL then we buy back what they sell?  
Dean Tappen 2022-04-13 08:17:03.920 PM  
Correct we let them sell it back to us via the OTC desk  
Dean Tappen 2022-04-13 08:18:23.733 PM  
So employees with big CEL holdings end up costing the company a lot of USD or ETH etc  
Chris Ferraro 2022-04-13 08:24:24.590 PM

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CEL-UCC-00083099

---

so the 40mm is CEL bonus payments to top employees? and they sell and do not hold. so we buy in USD primarily.

---

Dean Tappen 2022-04-13 08:25:44.560 PM

---

No no sorry I didn't explain. Celsius has bought \$40mm worth of CEL back from the top 5 or 6 employees

---

Chris Ferraro 2022-04-13 08:26:17.513 PM

---

were they allocated in the ICO, bonus payments or they purchased them and sold?

---

Dean Tappen 2022-04-13 08:26:32.497 PM

---

ICO bonus and other payments of the sort

---

Chris Ferraro 2022-04-13 08:26:51.790 PM

---

but top employees did not buy in the first place, they were awarded

---

Dean Tappen 2022-04-13 08:26:58.673 PM

---

Correct

---

Chris Ferraro 2022-04-13 08:27:51.737 PM

---

and there was a short lock up period?

---

Dean Tappen 2022-04-13 08:28:18.707 PM

---

Yeah in some cases no lock up

---

Chris Ferraro 2022-04-13 08:28:40.507 PM

---

thats insane

---

Chris Ferraro 2022-04-13 08:28:44.087 PM

---

who can stop that?

---

Dean Tappen 2022-04-13 08:29:15.253 PM

---

Not sure this is why I'm bringing it up to you - if anyone ever found out our position and how much founders took in USD could be a very very bad look

---

Chris Ferraro 2022-04-13 08:30:52.307 PM

---

absolutely. my point is all CEL awards should vest like equity options 4 yr

---

Dean Tappen 2022-04-13 08:31:56.927 PM

---

Agreed but that is not the reality and I think us spending any money on buy backs given our situation is bad. We are using users USDC to pay for employees worthless CEL

---

Dean Tappen 2022-04-13 08:32:14.637 PM

---

All because the company is the one inflating the price to get the valuations to be able to sell back to the company

---

Dean Tappen 2022-04-13 08:32:32.520 PM

---



Agreed but that is not the reality and I think us spending any money on buy backs given our situation is bad. We are using users USDC to pay for employees worthless CEL

Dean Tappen

2022-04-13 08:32:14.637 PM

All because the company is the one inflating the price to get the valuations to be able to sell back to the company

Dean Tappen

2022-04-13 08:32:32.520 PM

And the same people ordering buying in the markets are the same people selling their tokens when the price appreciates

Chris Ferraro

2022-04-13 08:33:01.517 PM

should be awarded, 4 year vest, with scheduled selling

Dean Tappen

2022-04-13 08:33:15.970 PM

Yeah that would make sense to me

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Respectfully Signed,

Otis Davis, *Pro Se*

9/22/2023

*/s/Otis Davis*